

# Digital transformation: Where does the CIO stand in the digital business transformation?



Chairman:  
**Ton Arrachart**  
European  
CIO Association



Facilitator:  
**Ronald Verbeck**  
CIO platform

## What we have found!

The key conclusions from the session:

**There are several reasons to enter into digital transformation. Focus on benefits:**

- Better customer experience, omni channel approach is needed this day and age.
- Productivity/efficiency/cost optimization will drive your competitiveness.
- New revenue streams are possible by using (meta)data effectively.
- Reshaping future revenue protection barriers to sustain the business. Increasing the agility of the organization is a necessity in this respect.
- Employee motivation, talent attraction and retention.
- The way to go about this is to start small, show value, hopefully go viral and grow!



**But to unleash these benefits, a cultural shift is needed.**

- Be real! Judge how much change can an organization handle...
- Cater to the differences in different age groups/openness to digital change, have a plan for those that can't keep up, provide are incentives for those that do want to change.
- Cross-leadership sponsoring of the change needed! Don't forget middle management in any change process!
- Make the change measurable, keep track, benchmark and adjust your plans according to your findings.
- Since demand for digital transformation – within your workforce as well as amongst your customers – is consumer driven, find ways to adopt quickly to stay ahead and on top of developments in that space.

**The CIO has to be the chief of the transition**

- CIO's are well positioned to take an active and leading role. They have good insight into the organization, technology and a structured view on processes.
- Adapt the role to the different phases of the digitalization change process. Ideation takes a different approach compared to delivery.
- Sponsorship is essential: The broader it is on C-level, the more likely the change will succeed. Inspire and engage your peers and your stakeholders.
- Speaking the language and getting to know the business of CIO's peers is crucial. Knowing what makes them tick and how to discuss their issues. Take a marketing course if necessary!

## What we have explored

Among these conclusions, we have developed one of these in greater detail below:

We started off with voting on a couple of provocative statement relating to digital transformation and the role of the CIO. The table shows the results. On this basis we discussed the role of the CIO in relation to CxO peers and the ownership of digital change within the organization, particularly:

Number	Statement	++	+	-	--
1	The CIO as a control driven manager is the biggest barrier for digital transformation!	5	9	1	0
2	Traditional companies that have CIO's who do not adopt start-up style IT service provisioning will be disrupted themselves!	2	8	5	
3	The CIO who is faced with a freshly hired CDO has failed!	1	0	10	2
4	The CIO dealing today with yesterday's legacy is about to fail tomorrow!	2	2	2	7
5	The CIO not dealing today with yesterday's legacy is about to fail tomorrow!	9	4	0	0

1. Is the CIO a leader or a facilitator of this change?
2. What are the benefits of digital transformation and how can you realize these benefits?
3. Change of the organization – how to do this, where to start?
4. There are a lot of different organizations out there that need to transform, but there is no one size fit all approach.

# What we have left open...

Some questions still remain to be addressed:

- **The best way to create buy-in to digital transformation of those that want to change.**
- **The limit to change an organization can handle. That is specific to each organization, related to the leadership, employees and market developments.**
- **If there are enough people out there that have the right combination of creativity, business skills and technology insight to help you make a difference.**

## Convergences

What points do we share in common:

- Consumerization is a big force in change. It wasn't an influence up till a couple of years back, but now it's a very important indication of the demand you are going to have to deal with.
- Change is needed, it is a delicate process that needs sponsorship on all levels within the organization

## Differences

What points do we agree to disagree:

- The benefits of temporary spin-out and spin-back-in of innovative ideas into separate organizations and back into the mother organization. Is this a really effective way of innovating a company? There are some proponents and examples to support this idea, but also examples of things going wrong and opponents to it.
- Is the appointment of a CDO in the organization a disqualification of the CIO, or a strengthening of the digital leadership propelling the organization into the new era. This is something each organization and individual involved will have to decide for themselves.

## A picture is worth a thousand words

An illustration that sums up our results:

